

MINUTES
MONTANA HISTORICAL SOCIETY
BOARD OF TRUSTEES MEETING
9:00 A.M. July 10, 2009
Butte Mall Meeting Room
Butte, Montana

In attendance were Montana Historical Society Board of Trustees members Jim Murry, Steve Carney, Sharon Lincoln, Jack Lepley, Lee Rostad, Ed Smith, Jim Court, Kent Kleinkopf, Lee Rostad, Steve Lozar, Shirley Groff, Tom Nygard, Janene Caywood and Jim Utterback. Also in attendance were MHS Director Richard Sims, MHS Administrative Assistant Renee Podell, Department of Administration Architect Joe Triem, MHS Administrator Denise King, MHS Research Center Program Manager Molly Kruckenberg, MHS Museum Program Manager Bill Mercer, MHS Outreach and Interpretation Program Manager Kirby Lambert, Volunteer Coordinator Katie Curey, MHS Research Manager Molly Kruckenberg, State Historic Preservation Program Manager Mark Baumler and Special Projects Manager Susan Near.

CALL TO ORDER

President Jim Murry called the meeting to order at 9:00 a.m. Steve Lozar led the Board in prayer.

REVIEW OF MINUTES

Tom Nygard moved to approve the minutes from the April 17, 2009 meeting. Kent Kleinkopf seconded the motion. All voted in favor and the motion carried unanimously.

ARCHITECTS REPORT-Jim Triem

Richard explained work is once again starting on the proposed building at 6th Avenue and Roberts Street now that HB 5 which came out of the recent Legislative session, contains language that clearly indicates the will of the Legislature. Richard introduced Joe Triem with the Architect and Engineering Division of the

Department of Administration stating that Joe will now tell us how we will get back to work planning our new building.

Joe Triem presented an excerpt of HB 5 noting the underlined portion which defines instructions for proceeding on the Montana Historical Society building at the 6th Avenue and Roberts Street location. Joe stated he is happy to be moving forward on this project and anticipates a fantastic building at this site. The go ahead to proceed with this project has been given with the project being funded with the sale of general fund, general obligation bonds. He said the biggest issue is that it is a really bad time to sell bonds. The staff is ready to move forward. Joe announced the first meeting will basically be a restart in order to reinvigorate the design process. The first workshop with the architect team is August 4-6. A total of four workshops are planned during this first phase. By the third workshop in early October, draft fundraising documents will be presented. Joe anticipates that around Thanksgiving, the fundraising deliverables will be ready and will include a physical model, a number of paintings and graphics showing various proposed elements, computer programs with building information and management systems.

Discussion was held on fundraising efforts for large projects within the State. Ed Smith questioned Joe Triem in regard to State match for these buildings. Joe stated the restoration of the capitol complex was somewhere in the \$200,000,000 range with a \$5 million dollar authority. Joe noted that another fundraising success was Fish, Wildlife and Parks Center which received \$100,000 to \$200,000 from a foundation for animals. The U of M and MSU have had successful fundraising efforts because they both have foundations that have significant outreach plans. Joe said the most successful fundraising efforts have taken place in the university system and they take between six and 10 years to put together. Joe commented that multifunctional type facilities receive more funding from the Legislature and it is a huge fundraising element. The auditorium being planned for the new Heritage Center is bigger than any other on the capitol complex.

Bill Mercer questioned Joe Triem regarding proposed parking. Joe mentioned there is a parking structure being proposed and that there will be 100 spaces planned for under the structure parking. He also stated the plan proposes an underground connection from one facility to the next. Jim Court questioned what affect underground parking would have on museum collections. Bill Mercer stated that it would be one of the worst things for museum collections. Bill commented

that he came on board with MHS after the underground parking had been proposed. He gave an example of a museum in Milwaukee, Wisconsin that has collections above parking areas and they are constantly having a collection management issue. Joe said the first workshop will address concerns and propose changes and identify goals. Changes need to be made in the beginning when it is cheap to do so.

Richard emphasized he wants each workshop to be the best it can be and asked Joe what would be the best attendee for workshop #1. Joe responded that workshop #1 is targeted for staff and covers needs assessment. Workshops #2, #3 and #4 should be Program Managers and the Board. Richard wants people to be involved early on. Joe suggested a meeting with Richard before the first workshop to discuss who should participate and stated it wouldn't hurt if the Board had a six-person group of people to get ideas from. Kent Kleinkopf questioned if Joe could give the Board a ball park figure of how much of this project will be green. Joe said at a minimum the design of the building would be 20% more efficient than code minimums. Discussion continued on the benefits of a green building and the potential a green building has on fundraising efforts. Joe said the State doesn't require a building under statute to be certified green. Joe will make sure they go through a more detailed energy study with this proposed building.

Jim Utterback asked Richard Sims when a schematic of the building would be available. Richard said we need to follow the formula for a major campaign. There will be a feasibility study. A current assessment of internal capabilities and a current assessment of external successes plus workshops for Board and staff are needed. A market survey using the many tools the architects develop will be needed and then the package will be sent to 50 or 75 philanthropists in Montana and outside Montana. This is the first testing of the waters. If the philanthropists buy into this they will be asked what their minimum, medium and maximum gift to such a concept would be and that way we will get an achievable number. The Board will decide if this is an achievable goal over the next few years. We also need professional development people to fund raise. Richard commented he will be asking the Board to look into using some of the Bair Trust. He needs to fund a professional Development Officer. There will be a lot of travel that will need funding. There will possibly be a need to provide a fifth magazine which will be a fund raising instrument. Richard has already discussed this idea with Molly Holz and her staff. The feasibility study will cost about \$20,000. Richard is working

with Budget Director Ewer to see if the \$20,000 can come out of the existing bonding authority. Richard further stressed that the money will have to come out of MHS coffers to launch this campaign and that could be \$200,000 or more for the first two years of this effort. The Development Officer's position will have to go through the State recruitment process and if we interview in September we could possibly have a person on board in October which would be ideal so this person could attend the last few scheduled workshops. **Jim Utterback moved to go forward advertising the position of Development Officer for the Montana Historical Society. Steve Lozar seconded the motion. Discussion was held regarding the wage of this position and the duration of hire. Richard commented he doesn't want to empty the Bair Trust. He is looking at half the Bair Trust which is about \$200,000. Often a position like this is challenged to raise enough money to cover their position expenses. As the campaign takes off 5% will be assigned to help with their costs. Jim Murry asked how much money was in the Bair Trust. Denise stated there was \$440,000. The motion carried unanimously.**

Lee Rostad moved to authorize the Director to use half of the Bair Trust funds for this project. Jim Utterback seconded the motion. Janene Caywood commented that she heard discussion about the second printing of the textbook was being funded by the Bair Trust. Denise stated that the Bair Trust was not needed after all for the textbook printing. Janene further questioned what kind of projects use the Bair Trust fund. Lee Rostad explained that the fund was set up to be used for educational purposes like the history conferences. Lee stated we are trying to educate the people of Montana of the need to build a new Montana Heritage Center. The motion carried unanimously.

Richard thanked the Board and noted that we are all embarking on a long arduous trek. He said Governors will change, Legislators will change, and Board and staff will change before we are finished with this but we have begun today and he is emboldened by this. He stated he interprets the Board's motion that he pursue the recruitment of the fund raising professional first and then allow that person to structure a feasibility study. The Board was in agreement with Richard's interpretation.

CENTRALIZED SERVICES/FINANCIAL REPORT-Denise King

Denise announced MHS is on target for closing out 2009. She explained that she and Kirby Lambert had a conversation about State agencies that were mentioned in the new text book and it was decided to contact those agencies requesting them to contribute towards the funding for the second printing. \$62,000 has been collected to be used for the second printing of the text book. The budget office is keeping a close eye on finances. The bed tax money will be used to pay personal services and to help pay rent. Travel is pretty much nonexistent with exception of those who have grant money to use. Denise stated Richard has been covering his travel expenses himself. She said she is looking ahead four years. Meetings have been scheduled with David Ewer sometime this summer. At the last Board meeting a question was raised about license plates. Denise explained she looked into this question and found out that start up costs are \$5,000 to just ask the Department of Transportation to consider a design.

Denise presented a handout of the Museum Store catalog which is used to target folks who visit the OGM and for those taking the Capitol tours.

A membership envelope was prepared by Kim Ramuta and presented by Denise to each of the Board members. The envelope contains items to be used for encouraging friends and relatives to become members of the Montana Historical Society. Jim Court explained he sent out 75 letters at Christmas time requesting his friends to become members of MHS and as of this date 10 of those friends have become members. His hope is that 30% of his Christmas card list recipients will become members. Denise announced that MHS is working on expanding the membership program and sometime this summer visits are planned to the Montana universities. Kim has already met with the alumni in Bozeman and Carroll College. She is sending out letters again to the Legislators and visiting with Republicans and Democrats to help us do a membership drive. Ed Smith suggested membership visiting with the professors of History at the universities to ask them to make a pitch for MHS members.

DIRECTOR'S REPORT-Richard Sims

Richard announced that an opportunity has arisen to purchase a major Charlie Russell collection known as the Britzman Collection. The Collection is offered by the Colorado Springs Fine Art Center. Mr. Britzman purchased the Russell Estate after Nancy died in 1940. The collection contains archival materials related to the life of Charlie and Nancy and to the business of art. The Collection contains some art and a lot of personal items. Because it is Charlie Russell it has been appraised at \$1.4 million. Richard traveled to Colorado Springs and spent five hours examining materials and spoke with the Director and the Board. According to the Director, MHS has expressed the most interest in obtaining this Collection. Others may compete for it. An RFP process has been scheduled and the paperwork arrived in the mail just before taking off for this Board meeting. The RFP is demanding and very time constraining. If the Board requests Richard to pursue this we will have two weeks to respond to the proposal and get something back to Colorado Springs. If they like our proposal above all others we will then have until the end of August to have the \$1.4 million dollars in their hands. This is very challengeable but Richard feels it is doable. One of the Russell scholars, Brian Dippie has said “there is nothing else out there, this is it”. Richard said this is the rest of story and it belongs in Montana. Richard told the folks at Colorado Springs that “he wants to bring Charlie home”. Richard asked Tom Nygard for his thoughts on the Collection. Tom quoted Brian Dippie as saying, “acquiring the Britzman Collection is a one time opportunity, not a once in a lifetime opportunity but a one time opportunity ever.” The Russell Estate Collection is a matchless resource, nothing else comes close. Its acquisition will assure the MHS permanent primacy in future studies of Russell and his art. In short, this is an opportunity that must not be missed.” Tom said there isn’t anything of this magnitude left. This Collection contains personal items and there simply isn’t a more appropriate spot for the collection than here. **Ed Smith moved that the Board authorize the Director to pursue the RFP on the Britzman Collection. Sharon Lincoln seconded the motion.** Jim Murry commented that the Executive Committee was in agreement with Richard preparing an RFP on the Britzman Collection. Richard asked Bill Mercer to speak on his thoughts of the Collection. Bill said this is the one opportunity. This gives MHS the leverage for our new facility. We can make the package for our facility and give the public the full Charlie experience. Institutions and museums are known primarily for their collections and this would take us to that next level. Kent Kleinkopf said he would like to see unanimous

support because Richard needs all of our support and assistance he can take to Colorado Springs. **Question was called. The motion carried unanimously.**

PRESIDENT'S REPORT-Jim Murry

Jim reported he and Richard Sims attended a meeting recently in Big Timber of the Montana History Foundation Executive Board. He said Richard did a great job explaining to the Board the fund raising campaign for MHS' new building. The MHF Executive Board made it perfectly clear they no longer wanted to be in the business of recommending sites for the MHS facility. They wanted to give their support to MHS. Another meeting was held with the Chairman of the Board for MHF, Denise King, Betty Anne Bergstrom and Jim Murry. Discussions were held on the handling of MHS money. Jim said the MHF Executive Board is very important to the Society and we need to involve the Board in our fundraising activities. He felt the meetings were very successful. Richard stated the Board was relieved to learn they didn't have to assume the entire burden for fund raising. He said the Society will provide the leadership and structure. Ed Smith questioned how the MHF was formed. Tom Nygard stated he was on the original Board for 13 years. He explained that it was originally called the Montana Historical Society Foundation and the name was changed in the last 10 years. MHF is conveniently referred to as the fund raising arm but it has a limited reach in terms of that arm. The MHF Executive Board is not attached to MHS. It was created to fund needs for the Society like the Scriver Center.

Jim Murry commented on the economic hard times and the fact MHS has \$120,000 to make up to maintain their present level of service and staffing levels. Jim asked the Board members to set some goals to raise money for the building fund. He requested that the Board set a minimal goal of \$5,052. That would average out to a \$350.00 contribution per Board member. He said the staff is being asked to contribute also. Jim encouraged everyone's consideration.

Jim explained that Katie Curey asked him to say a few words at the MHS Volunteers BBQ in honor of the volunteers. He has always had a great appreciation for volunteers but until he reviewed the fact sheet he didn't have a full appreciation for what MHS volunteers are doing. Jim emphasized that the Society couldn't stay alive without the help of the volunteers. MHS has 150 volunteers and last year alone they gave 7,300 volunteer hours which is equivalent to

\$148,000. Katie noted that some volunteers give over 500 hours per year and on an average they give 650 hours donated volunteer time per month. The cash value of the volunteer hours is \$20.25 per hour. Since January, there have been 45 new volunteers that have signed up. Volunteerism is very strong in the Society and in the State of Montana. The State of Montana ranks 5th in the nation for volunteerism. 38% of Montanans do volunteer work. Most volunteers are very well educated and if they are retired they come from professional fields bringing a lot of skills and expertise to the Society. Many of the volunteers are also members of the Society. The volunteer organization known as Friends of the Society raises some of their own funds and every penny they make is given back to the Society. Katie said she loves her job because it is a joy to see the volunteers. Jim mentioned that Tom Nygard and George Horse Capture attended the BBQ. Katie thanked the Board for paying for the meat and noted that the staff provided the rest of the potluck.

Discussion was held on the History Conference. Jim stated that the Executive Committee discussed ways to tighten up finances and one of the ways discussed was to no longer go out of town for conferences due to staff travel time. **Sharon Lincoln moved that future History Conferences should be held in Helena for the next four years in order to stay within budget. Sharon noted that hosting the History Conference in various towns throughout Montana is important but in current economic times we need to tighten up our belt and staying in Helena will help us do this. Shirley Groff seconded the motion. Jim Murry asked how much the conference will cost. Richard Sims responded if MHS raises \$10,000 it will break even. Kirby Lambert commented that a lot of the expenses are paid by registration. The idea is to make it affordable so people will come. Tom Nygard says this is a challenge to find sponsors for taking the conference on the road. Steve Lozar commented that the Society's philosophy is to spread the word that it is the State Historical Society and traveling to other towns for conferences is what is in our heart and soul. Steve emphasized the importance of Richard's travel around this great State. Richard said MHS needs to bring this event under fiscal control. The motion carried unanimously.**

PROGRAM MANAGERS REPORTS

OUTREACH AND INTERPRETATION PROGRAM REPORT-Kirby Lambert

Kirby said Katie Curey was the primary Education Program speaker for this meeting. He shared the news that Ellen Baumlér's newest publication *Helena's Seven Districts* has been getting a lot of good publicity and thumbs up from the Helena Independent Record. Kirby said he has a number of copies to give away thanks to a grant from Preservative America through SHPO they will be available in the store to buy. He commended Diane Hall for designing the beautiful cover.

MUSEUM REPORT-Bill Mercer

Bill presented a handout of MHS traveling exhibits May, 2009 – December 2010. Another traveling exhibit is being developed which is associated with the Glacier Centennial.

Bill presented two loan requests for the Board's approval. The first loan request comes from the Minneapolis Institute of Art asking for four objects for their exhibition on Art of the Northern Plains. **Steve Lozar moved to approve the Minneapolis Institute of Art loan request. Kent Kleinkopf seconded the motion and it carried unanimously.**

The second loan is a request from the University Of Kentucky Art Museum. The request is for the loan of *Bronc to Breakfast, C.M. Russell*, watercolor. Shirley Groff asked Bill whatever happened to the MHS policy not to loan Russell's works of art out. Tom Nygard stated there has been a considerable amount of discussions on this subject. It has been determined that with the coming of the new facility, we will need loans from other institutions and we will be more fairly treated in our requests for loans, were we to loan at the same time. Tom personally thinks that when qualified institutions make qualified requests and all due diligence has been done we should abide. Tom asked Bill if MHS will be short of Russell art if this piece is loaned. Bill explained that in the reinstalled Russell Gallery on the exterior walls he has placed the oils and in the center of the Gallery on the free standing walls he has placed the watercolors. A sensor light has been installed so that the light on the works of paper are not on all the time. The watercolors and drawings are abundant. Bill further explained he has a plan to make up for the piece of art loaned out. He will make the back end of that gallery into an exhibit which will explain Charlie Russell's relationship with Glacier Park which will be displayed at the same time as the Glacier Centennial. If MHS should get the

Britzman Collection we could tie this together and have a really wonderful Charlie comes home project. Tom said it is only natural that this watercolor would be asked for by other institutions when appropriate exhibits are put together. This is a substantial Russell piece of art. Tom Nygard stated the insurance value on this piece of art is undervalued and should be changed. Shirley Groff said her understanding is that the watercolors are more delicate than the oils. Bill said that is correct in terms of light sensitivity. The paper pieces are appropriately matted and framed so the movement of these pieces is not a big issue. Shirley asked if the \$100.00 fee is a set fee. Bill explained that this is a Board set policy. The policy is that we don't charge any loan fees to Montana institutions, however, there is a museum standard of charging a nominal fee in general to loaning institutions and it can range anywhere from \$25.00 to thousands of dollars. Shirley questioned the nominal fee for this piece of art. Bill said it isn't necessarily tied to the value of the art, it is meant to recoup the processing cost of the paperwork. The borrowing institution covers the insurance. Tom said the borrowing institution pays for everything. Bill explained that the loan fee recoups personnel time to process the paperwork and research on these loans. Sharon Lincoln asked Tom Nygard for his recommendation of what this piece of art should be insured for. Tom answered that the value should be set twice the amount as presented in this loan agreement. Bill said he could incorporate the change on this loan agreement once we have a Board motion passed. **Tom moved that the Board recommend that staff go ahead with this loan on one condition as follows: The Board raise the suggested insurance value of the watercolor titled *Bronc to Breakfast* to \$4,000,000.00. Jim Utterback seconded the motion and the motion carried.**

PUBLICATIONS-Molly Holz

Molly reported the quilt book is coming soon from the printers. The summer magazine will be mailed this week. The magazine has been accepted to become a part of Proquest which is a subscription data base for public libraries and secondary schools. This means the magazine will be available all over the world to this audience.

RESEARCH CENTER – Molly Kruckenberg

Word was received in May that the Research Center received a grant from the National Endowment for the Humanities in the Library of Congress. The grant

amount is \$280,000 which will be received over the next two years to start digitizing Montana newspapers. Molly said they are really pleased about this funding. If the first phase of the project goes well it will be awarded more funding to continue the project and really grow this data base of newspapers. This particular project will be digitalizing from microfilm. MHS will send microfilm to a third party vendor who will create a digital image and then we will send those images to the Library of Congress and they will make them available on-line. Shirley Groff asked Molly if the Butte Daily Post will be part of this funding. Molly stated that it would not be part of this project because it is not microfilmed. Money has been set aside to start microfilming the Butte Daily Post.

Molly presented a proposal to increase Research request fees. In 2005, the Research Center began charging fees for doing research for patrons. Annually about 8,000 requests are answered within the Research Center. Of those, every year there are about 500 requests that require a significant amount of research for which patrons are asked to pay a fee. For that fee the patrons get up to two hours research time, ten photocopies, postage and a letter detailing what has been done. Presently there is a \$5.00 fee charged for Montana residents and \$20.00 for out-of-state residents for a research request. The proposal asks for an increase to \$10.00 for Montana residents and \$25.00 for out-of-state residents and \$25.00 per bill for Legislative research requests. **Steve Lozar moved to increase research fees as outlined in the proposal presented by the Research Center. Jim Utterback seconded the motion.** Discussion took place on the breakdown of in-state and out-of-state fees. The consensus of the Board was the increases should be more and perhaps a standard fee of \$25.00. Molly stated since the Research Center is a state government agency and residents already pay taxes to support the services she hesitates to raise fees too high. She commented that about 40% use comes from in-state and 60% are from out-of-state patrons with the exception of Legislative requests which are in-state requests. Molly compared the fees of all the surrounding states and she found on the average requests were \$20.00 to \$25.00 per request. Molly wondered if she should review her numbers and discuss the fee amounts with her staff. Richard suggested the Board acknowledge the close scrutiny of Molly and her team on the proposed fee structure and let the fee increase request go into place. If the increases don't work they can be changed at a later date. Jim Murry asked for a vote on the motion. **The motion carried with two Board members voting no.**

Molly presented the quarterly deaccession list of general outdated non Montana duplicated items. **Lee Rostad moved to accept the deaccession list. Kent Kleinkopf seconded the motion and the motion carried unanimously.**

STATE HISTORIC PRESERVATION-SHPO-Mark Baumler

Mark announced that last quarter a new Historic Preservation poster was produced. He handed out posters to all of the Board members.

ANNUAL REPORT MAILING-Susan Near

Susan reported that 1,868 appeal letters were sent out at the end of May. The goal was to get \$15,000. As of July 7th, \$9,600 has been received. This is a 7% return. The average gift was \$71.00. 1/3 of the responses have come from out-of-state and 2/3 of the responses have come from Montana. Appeals are usually sent out at the end of the year but this year it was decided to split it up and possibly send another appeal with the Society's calendar at the end of the year.

The Rendezvous of Art is coming up. Registration forms were handed out to the Board members. Susan stated she would like to see as many Board members as possible in attendance. Everything is on schedule and going well. Fund raising has been very successful this year. Last years cash contributions have been exceeded for sponsorships and in-kind contributions have also been exceeded. Susan announced that this year there will be a raffle associated with the Rendezvous. She has tickets available at \$10.00 each.

MHS is partnering with a new organization called Helena Institute. It is an economic development educational initiative which features Helena as a source for a place to learn about many things. Three of the courses are sponsored by the Society. Bill Mercer organized a beading workshop and has incorporated a tour of the current collection. Susan presented a course catalog for August – September, 2009, from Helena Institute and encouraged the Board members to take handout copies and distribute them.

Jim Murry hoped to honor Jon Sesso, a member of the House of Representatives at this meeting. Jim stated that Jon became a friend of the Society during the session. Jon was unable to attend the Board meeting due to the Folk Festival.

PUBLIC COMMENT:

None

Adjournment: The Board meeting adjourned at 12:50 p.m.